Legislative Digest

Wednesday, May 24, 2000

J.C. Watts, Jr. Chairman 4th District, Oklahoma

House Meets at 10:00 a.m. for Legislative Business (Last Vote Expected Early Evening)

Anticipated Floor Action:

H.R. 4444—To Authorize Extension of Nondiscriminatory Treatment (Normal Trade Relations Treatment) to the People's Republic of China

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Floor Situation: The House will consider H.R. 4444 as its only order of business today. Yesterday, the Rules Committee granted a closed rule providing three hours of general debate on the bill, as amended, equally divided between the Chairman and ranking Member on the Committee on Ways and Means, Rep. Stark, and Rep. Rohrabacher. The rule provides that, in lieu of the committee amendment in the nature of a substitute recommended by the Committee on Ways and Means, the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying the rule shall be considered as adopted. The rule provides one motion to recommit with or without instructions.

Summary: H.R. 4444 grants the president the authority to exempt the People's Republic of China from Title IV of the Trade Act. The President triggers the exemption by submitting to Congress a report outlining the terms and conditions for the People's Republic of China's accession into the WTO, which must be at least equivalent to those agreed to in the November 15, 1999, bilateral agreement. The bill would also enforce the product-specific safeguard or so-called "import surge mechanism" established under the U.S.-China Bilateral Trade Agreement. It establishes clear standards for Presidential implementation of the provisions to provide relief to injured U.S. industries and workers. H.R. 4444 also implements the U.S.-China Agreement.

Over the past several years, China has been negotiating to become a member of the World Trade Organization (WTO), the international agency that administers multilateral trade rules. These negotiations moved slowly over the past several years, but on November 15, 1999, the United States and China reached an agreement on China's WTO membership that would require China to reduce or eliminate barriers to trade in agriculture, industrial products, and services. China must complete bilateral negotiations with the major trading partners and complete talks with the WTO Working Party before the full WTO body can vote on China's membership. In order to ensure that the WTO agreements between the United States and China would fully apply, the President is urging Congress to vote to grant China permanent Normal Trade Relations (NTR) status.

H.R. 4444 does not affect direct spending, so pay-as-you-go procedures do not apply. This measure was introduced by Mr. Archer on May 15, 2000, and reported by the Committee on Ways and Means on May 17, 2000 by a vote of 34-4.

Views: The Republican Leadership and the Clinton Administration support passage of this measure.

Additional Information: See *Legislative Digest*, Vol. XXIX, #14, May 19, 2000.

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